DOCUMENT RESUME

ED 139 068 EA 009 468

TITLE	Impact Upon California School Districts of Senate Bill 90 of 1972 and Assembly Bill 1267 of 1973. A Report to the California Legislature as Required by Assembly Concurrent Resolution No. 54.
INSTITUTION	California State Dept. of Education, Sacramento. Bureau of School Apportionments and Reports.
PUB DATE	76
NOTE	73p.
EDRS PRICE	MF-$0.83 HC-$3.50 Plus Postage.
DESCRIPTORS	*Educational Finance; Elementary Secondary Education; *Finance Reform; School District Spending; School Taxes; *State Aid; *State Legislation; *Tables (Data); Trend Analysis
IDENTIFIERS	*California

ABSTRACT

This report analyzes the impact of California's 1972 Senate Bill 90 and 1973 Assembly Bill 1267 as they have affected public school finance in California. The portions of SB 90 and AB 1267 that pertain to operating school districts contain general property tax rollback and revenue limit features, as well as mechanisms designed to lessen the disparities between high wealth/low tax districts and low wealth/high tax districts, as targeted by the Serrano case. Separate sections of the report focus in turn on state aid apportionments and school district revenues without SB 90 and AB 1267, apportionments and revenues with SB 90 only, apportionments and revenues with AB 1267 only, apportionments for programs for educationally disadvantaged youth, tax rates affected by SB 90 and AB 1267, the extent of expenditure equalization per average daily attendance, the impact of SB 90 and AB 1267 on county superintendents of schools, revenue for early childhood education, and school district use of additional state aid provided by SB 90 and AB 1267. A large part of most sections and of the appendix consists of data tables. (JG)

****
* Documents acquired by ERIC include many informal unpublished *
* materials not available from other sources. ERIC makes every effort *
* to obtain the best copy available. Nevertheless, items of marginal *
* reproducibility are often encountered and this affects the quality *
* of the microfiche and hardcopy reproductions ERIC makes available *
* via the ERIC Document Reproduction Service (EDRS). EDRS is not *
* responsible for the quality of the original document. Reproductions *
* supplied by EDRS are the best that can be made from the original. *
****

ED139068

U S DEPARTMENT OF HEALTH, EDUCATION & WELFARE NATIONAL INSTITUTE OF EDUCATION

THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL NATIONAL INSTITUTE OF EDUCATION POSITION OR POLICY

Impact Upon California School Districts of Senate Bill 90 of 1972 and Assembly Bill 1267 of 1973

A Report to the California Legislature as Required by Assembly Concurrent Resolution No. 54

EA 009 468

California State Department of Education
Wilson Riles – Superintendent of Public Instruction
Sacramento, 1976

This legislative report was prepared by the Bureau of School Apportionments and Reports, California State Department of Education, and was published by the Department, 721 Capitol Mall, Sacramento, CA 95814. Any questions regarding the report should be addressed to the Bureau of School Apportionments and Reports (phone 445-4776).

Distributed under the provisions
of the Library Distribution Act

1976

WILSON RILES
Superintendent of Public Instruction
and Director of Education

STATE OF CALIFORNIA

DEPARTMENT OF EDUCATION

STATE EDUCATION BUILDING, 721 CAPITOL MALL, SACRAMENTO 95814

To the Members of the California Legislature:

In compliance with the requirements of Assembly Concurrent Resolution 54, I am submitting herewith a report to you of the impact of Senate Bill 90 and Assembly Bill 1267 as they apply to the financing of the California public schools.

Senate Bill 90 represented a major break with the traditional approach to the financing of public services that relied upon the property tax as a source of revenue. The thrust of Senate Bill 90 was to force a roll-back in property taxes through increased state subventions and to retard future increases in property taxes by imposing revenue limits, annually determined, on the various tax support agencies. Revenue limits, of course, translate into expenditure limits.

The portions of SB 90 and AB 1267 that pertain to operating elementary, high school, and unified school districts not only contained the general property tax rollback and revenue limit features but also incorporated mechanisms designed to lessen the disparities between the high wealth-low tax and low wealth-high tax districts, as targeted by the Serrano case. The school support formulas that were developed sought to funnel the bulk of the additional state revenue to the low wealth districts and to provide such districts the greatest property tax relief. High wealth districts generally were granted some relief from inflation and in many instances were required to increase the district property taxes to maintain their high expenditure levels. It is conceivable that these school finance features could have brought California into substantial compliance with Serrano in a decade or so; however, recent developments have overrun both the concepts and the pace of this legislation.

There were early indications in the lengthy Serrano hearings that the pace and scope of SB 90 did not coincide with the Court's perception of the issues raised by Serrano. The State Board of Education reactivated the School Support Committee under the charge to develop a school finance program that could satisfy a rigorous interpretation of the Serrano issues. This foresight proved most appropriate; when the Court's

decision was released on August 30, 1974, it indeed was a rigorous interpretation of the issues. The decision has been appealed and is under consideration by the State Supreme Court.

I will continue to press for equity with quality in school finance and urge the Legislature to bring this issue to a swift conclusion.

Superintendent of Public Instruction

CONTENTS

		Page
Summary		vii
Resolution Requiring This Report		1
1.	Apportionments and Revenues Without SB 90 and AB 1267	3
2a.	Apportionments and Revenues With SB 90 Only	4
2b.	Apportionments and Revenues With AB 1267 Only	6
3.	Apportionments for Educationally Disadvantaged Youth Programs	11
4.	Tax Rates Affected by SB 90 and AB 1267	12
5.	Extent of Equalization of Expenditures per A.D.A.	23
6.	SB 90 and AB 1267 Impact on County Superintendents of Schools	27
7.	Revenue for Early Childhood Education	32
8.	School District Use of Additional Aid	33
Appendix A		34
Appendix B		38
Appendix C		41

A. State Aid

1. Without SB 90 et al, the 1973-74 state aid (foundation program allowances) would have decreased $65 million from that in 1972-73.
2. Without SB 90 et al, the 1974-75 state aid (foundation program allowances) would have decreased $149 million from that in 1973-74.
3. The trailer bills, AB 1267 or AB 1164, did not affect state aid.
4. Educationally disadvantaged youth funds in the amounts of $81.0 million (1973-74) and $84.0 million (1974-75) were distributed to 392 and 402 local educational agencies, respectively.
5. Early childhood education funds in the amounts of $24.0 million (1973-74) and $40.9 million (1974-75) were distributed to 800 and 815 local educational agencies, respectively.

B. Local Property Taxes

1. Without SB 90 et al, the 1973-74 property tax revenue for general support would have been an estimated minimum increase of $230 million over 1972-73; with SB 90 et al, the property tax revenue increase was only $39 million.

2. Without SB 90 et al, the 1974-75 property tax revenue for general support would have been an estimated minimum increase of $313 million over 1973-74; with SB 90 et al, the property tax revenue increase was $339 million.

3. In 1973-74 Assembly Bill 1267 added $93.7 million in property tax that SB 90 alone would not have added.

   The options that accounted for the $93.7 million follow:

The $70 inflation factor in lieu of $65	$16.0 million
Anticipated P. L. 874 loss	28.5 million
Declining enrollment	29.0 million
Use of unrestricted balances	20.2 million
	$93.7 million

4. In 1974-75 Assembly Bill 1267 added $31.3 million in property tax that SB 90 alone would not have added.

   The options that accounted for the $31.3 million follow:

Anticipated P. L. 874 loss	$ 4.1 million
Declining enrollment	27.2 million
	$31.3 million

5. The median total school purpose tax rates in 1973-74 were less than the rates of 1972-73, as follows:

Unified	$ 4.80 to $4.48	= 32 cents less
High school	2.30 to 2.16	= 14 cents less
Elementary	2.42 to 2.36	= 6 cents less

Five hundred seventy-eight districts decreased tax rates; 442 increased tax rates; and 29 had relatively no change.

The median total school purpose tax rates in 1974-75, as compared to 1973-74, were as follows:

Unified	$ 4.48 to $4.56 =	8 cents more
High School	2.16 to 2.11 =	5 cents less
Elementary	2.36 to 2.49 =	13 cents more

Five hundred five districts decreased tax rates; 518 increased tax rates; and 25 had relatively no change.

C. Changes in Current Expenses Per ADA

The dollar gap between the lowest and highest current expenses per unit of a.d.a. and between those in first quartile (Q^1) and those in third quartile (Q^3) changed as follows:

Lowest to Highest	1972-73	1973-74	1974-75*	1974-75 less 1973-74
Unified	$ 1,912	$ 2,101	$ 1,887	$ -214
Elementary	3,282	3,096	2,940	-156
High school	1,238	1,148	1,624	476
Q^1 to Q^3				
Unified	245	271	269	- 2
Elementary	327	328	375	47
High School	244	243	310	67

The ratio of lowest to highest current expenses per unit of a.d.a. and Q^1 to Q^3 current expenses changed as follows:

Lowest to Highest	1972-73	1973-74	1974-75*	1974-75 less 1973-74
Unified	3.634	3.501	2.999	-.502
Elementary	8.459	6.787	5.884	-.903
High school	2.426	2.215	2.616	.401
Q^1 to Q^3				
Unified	1.287	1.278	1.245	-.033
Elementary	1.459	1.397	1.394	-.003
High school	1.235	0.826	1.248	.422

In unified and elementary school districts, the 1974-75 ratios of lower range measures to upper range measures consistently show decreases. This indicates that the compression apparent in fiscal year 1973-74 continued in the 1974-75 fiscal year.

High school district current expenses of education were an exception, however. Factors influencing current expenses which were outside the control of SB 90 et al (e.g., federal funds and state categorical aid) are belived to be responsible for the increases.

D. Use of New Money Provided by SB 90 and AB 1267, Other Than to Meet Inflation

In the ACR 54 report for fiscal year 1973-74, there were extensive data related to uses of new money other than to meet inflation. In fiscal year 1974-75 there were not, on a statewide basis, funds available beyond those needed to deal with inflation.

*The current expense per unit of a.d.a. in McKittrick Elementary School District was omitted from the presentation. The extraordinarily high expenditures per unit of a.d.a. in this small atypical district would have severely skewed the data.

E. County Superintendents' Programs

Senate Bill 90 left the county superintendents' programs and services out of any revenue limit control, but AB 1267 added expenditure controls on the county superintendents' programs of special education and tax rate limits on the other programs and services.

Since the foundation program increases of SB 90 also applied to county superintendents' schools and classes, the county superintendents received $12 million in state aid for fiscal year 1973-74 that they would not have received in the absence of SB 90 et al. In fiscal year 1974-75, the increase in state aid was $3,000,000.

Determining the effect of SB 90 et al on the county superintendents' tax rates is very difficult because some of the revenues the county superintendents received came from general county taxes that were never identified as those of county superintendents before 1973-74. In fiscal year 1974-75, there were significant increases in county taxes for special education for county administration and schools and classes maintained (including ROC/ROP).

Resolution Requiring This Report

RESOLUTION CHAPTER_____

Assembly Concurrent Resolution No. 54—Relative to a study of the impact of 1972 Senate Bill 90, Chapter 1406 of the Statutes of 1972, and 1973 Assembly Bill No. 1267, Chapter 208 of the Statutes of 1973.

LEGISLATIVE COUNSEL'S DIGEST

ACR 54, Bagley. School districts: impact study.

Requires the Department of Education to conduct study of impact of the enactment of 1972 SB 90, Ch. 1406, Stats. 1972, and 1973 AB 1267, Ch. 208, Stats. 1973 upon school districts, including specified items, and requests reports thereon to the Legislature on or before January 1, 1975, and January 1, 1976.

Resolved by the Assembly of the State of California, the Senate thereof concurring, That the Department of Education shall conduct a study of the impact upon school districts of the enactment of 1972 Senate Bill No. 90 as Chapter 1406 of the Statutes of 1972, and Assembly Bill No. 1267 as Chapter 208 of the Statutes of 1973, including: (1) the apportionments from the state and the local revenues which each school district would have received and the tax rate each school district would have levied each year, but for the enactment of S.B. 90 and A.B. 1267; (2) the apportionments from the state and the local revenues which each school district would have received, and the tax rate which each school district would have levied for the 1973–74 fiscal year as a result of the enactment of S.B. 90; and the apportionments from the state and local revenues which each school district received, and the tax rate which each school district levied, each fiscal year commencing with fiscal year 1973–74, as a result of the enactment of A.B. 1267; (3) the apportionment which each school district received, each fiscal year commencing with fiscal year 1973–74, pursuant to Chapter 6.10 (commencing with Section 6499.230) of Division 6 of the Education Code as a result of the enactment of S.B. 90 and A.B. 1267; (4) the amount of tax

rate changes for each district; (5) the extent to which school district expenditures per average daily attendance have been equalized; (6) the change in expenditure by program and the change in tax rates under the control of the county superintendent of schools; (7) the amount allocated to each school district for the Early Childhood Education Program; and (8) the uses made by a selected sample of school districts of additional program aid received, such as reduction of class sizes, restoration of previously deleted classes, expansion of programs, effect on educational outcomes, and adjustment of salaries of certificated and classified employees; and be it further

Resolved, That the Department of Education shall submit to the Legislature on or before January 1, 1975, and on or before January 1, 1976, its findings and recommendations with respect to the above matters for, respectively, fiscal years 1973–74 and 1974–75; and be it further

Resolved, That the Chief Clerk of the Assembly is directed to transmit a copy of this resolution to the State Department of Education.

1. Apportionments and Revenues Without SB 90 and AB 1267

ACR 54 Requirement No. 1: Determine the hypothetical state apportionments and revenues from local taxes school districts would have received had Senate Bill 90 and Assembly Bill 1267 not been enacted.

The hypothetical state apportionments were developed by applying the pre-SB 90 and AB 1267 apportionment formulas, as modified by the Budget Act of 1972 and 1973, to the 1973-74 and 1974-75 district data pertinent to apportionments.

The hypothetical 1973-74 revenues from local taxes were developed by applying the 1972-73 district general purpose tax rates to the 1973-74 district assessed valuations. The hypothetical 1974-75 revenues from local taxes were developed by applying the 1972-73 district general purpose tax rates to the 1974-75 district assessed valuations.

The actual state apportionment and revenues from local taxes in 1972-73 are presented for comparison purposes:

	1972-73 Actual	1973-74 Hypothetical	1974-75 Hypothetical
State Apportionments	$1,101,972,478	$1,036,975,094	$ 888,058,538
Revenues from Local Taxes	2,790,211,914	3,020,390,932	3,333,627,132
Total	$3,892,184,392	$4,057,366,026	$4,221,685,670

In the absence of SB 90 and AB 1267, 1974-75 state apportionments and revenues from local taxes for operating school districts would have totaled $4,221,685,670. This would have represented an increase of $164,319,644 or 4.0 percent over the prior year, 1973-74, compared to an increase of $165,181,634 or 4.2 percent between fiscal years 1972-73 and 1973-74.

2a. Apportionments and Revenues with SB 90 Only.

ACR 54 Requirement No. 2a: Determine the hypothetical state apportionments and revenues from local taxes school districts would have received in 1973-74 and 1974-75 had Senate Bill 90 alone been enacted.

Senate Bill 90 was chaptered in December, 1972, and became effective in the 1973-74 school year. Assembly Bill 1267, commonly referred to as the SB 90 "trailer bill," was largely devoted to clarifications or technical oversights although it also contained substantive additions, and it, too, was effective in the 1973-74 school year.

The principal apportionment changes resulting from the enactment of SB 90 were:

1. The computation of supplemental support was repealed.
2. The $30 class size bonus for grades 1-3 was repealed.
3. The class size penalty computations were amended to remove the doubling effect of the penalty.
4. The $20 unification bonus was retained.
5. The elementary foundation program was raised from $375 to $765. ($825 for 1974-75)
6. The high school foundation program was raised from $508 to $950. ($1,010 for 1974-75)
7. The elementary computational tax was increased from $1.00 to $2.23.
8. The high school computational tax was increased from $ .80 to $1.64.

Other significant changes were:

1. A method of revenue limitation for school districts was established, which included the determination of a revenue limit used to establish the maximum general purpose tax rate which may be levied in the individual districts.

2. All permissive override taxes, except a few specifically listed, were prohibited from use by elementary, high school, and unified districts, but the revenue from those taxes levied in 1972-73 was included in the determination of the 1973-74 maximum tax rates in the individual districts. The unexpended proceeds of any permissive tax rate, the authorization for the levy and collection of which had been made inoperative, were transferred to the general fund of the district on July 1, 1973.

The provisions of SB 90 never operated independent of the provisions of AB 1267; hence, to the extent that AB 1267 abridged or amended provisions of SB 90, data purely attributable to SB 90 are nonexistent and in most instances impossible to construct. As precisely as can be determined, state apportionments and revenues from local taxes associated with the principal provisions of SB 90 alone are presented in the following table. State apportionments and revenues from local taxes developed to satisfy ACR 54 Requirement No. 1 also are presented for comparative purposes.

	1972-73 (Actual)	1973-74 (Hypothetical)	1973-74 (SB 90 alone)
State Apportionments	$1,101,972,478	$1,036,975,094	$1,518,457,455
Revenues from Local Taxes	2,790,211,914	3,020,390,932	2,734,919,636
Total	$3,892,184,392	$4,057,366,026	$4,253,377,091

	1974-75 (Hypothetical)	1974-75 SB 90 alone)
State Apportionments	$ 808,058,538	$1,593,825,540
Revenues from Local Taxes	3,333,627,132	3,135,864,708
Total	$4,221,685,670	$4,729,690,248

1973-74

As precisely as can be determined, the 1973-74 state apportionments and revenues from local taxes associated with the principal provisions of SB 90 alone would have totaled $4,253,377,091. This amount represents an increase of $361,192,699 or 9.3 percent over the actual state apportionments and revenues from local taxes in 1972-73. This amount also represents an increase of $196,011,065 or 4.8 percent over the hypothetical state apportionments and revenues from local taxes that would have accrued to school districts in 1973-74 in the absence of SB 90 and AB 1267.

1974-75

For 1974-75 state apportionments and revenues from local taxes associated with the principal provisions of SB 90 alone would have totaled $4,729,690,248. This amount represents an increase of 672,324,222 or 16.57 percent over the hypothetical state apportionments and revenues from local taxes in 1973-74. This amount also represents an increase of $508,004,578 or 12.03 percent over the hypothetical state apportionments and revenues from local taxes that would have accrued to school districts in 1974-75 in the absence of SB 90 and AB 1267.

2b. Apportionments and Revenues with AB 1267 Only

ACR 54 Requirement No. 2b: Determine the state apportionments and revenues from local taxes school districts received as a result of the enactment of AB 1267.

The principal provisions of AB 1267 that added to or modified the provisions of SB 90 are listed below:

1. Using the 1972-73 revenue base, school districts selected one of the following alternatives in computing their 1973-74 revenue limits:

   a. Districts used a $70 inflation allowance instead of $65, or a percentage thereof, or moved toward the foundation program at a maximum of 116 percent instead of 115 percent of the foundation program.

   or

   b. Districts added the unused portion of a voted override tax rate, as defined in Education Code Section 20904(f)(1), to the revenue limit computational tax rates and used the $65 inflation allowance, or a percentage thereof, or moved toward the foundation program at a maximum of 115 percent.

   or

   c. Districts added to the 1972-73 revenue base the unrestricted balances used to balance income to expenditures in 1972-73, but not to exceed 3 percent of the total expenditures in classifications 100 through 1200 of the General Fund for 1972-73 (Education Code Section 20904(f)(2), and used the $65 inflation allowance, or a percentage thereof, or moved toward the foundation program at a maximum of 115 percent.

   or

   d. In fiscal year 1974-75 AB 1267 provided in Education Code Section 20905(d) and (e) that the inflationary adjustment ("squeeze factor") would be different for each type of district. The amounts were: elementary, $46; high school, $57; and unified, $51. The actual amount per unit of a.d.a. a district would receive was determined by dividing the 1974-75 base revenue limit amount per unit of a.d.a. into the prior year foundation program amounts. These amounts were: elementary, $765; high school, $950; and unified, $846.

   or

   A district whose revenue limit per unit of a.d.a. was below the foundation program level could multiply the 1974-75 base revenue limit by 1.15 and use this higher amount to the extent that it did not exceed the foundation program.

2. Assessed valuation was further defined:

   a. Education Code Section 20704 was amended so that secured tax rates would be determined on the basis of the unequalized value of the secured roll, exclusive of the assessed valuation increment used to allocate tax receipts to a redevelopment agency. This section of the Education Code also requires the use of delinquency factors in establishing the school district tax rate.

   b. The assessed valuation used to compute the revenue base in 1972-73 and to compute the maximum general purpose tax rate for 1973-74 and thereafter is the assessed valuation, including the business inventory and homeowners exemption assessed valuation, but exclusive of the assessed valuation increment used to allocate tax receipts to a redevelopment agency.

3. Tax rates were further defined: For determining the 1972-73 revenue base, districts were to use the secured tax rate that was levied in 1972-73, and the unsecured tax rate to be used was that levied in 1971-72, exclusive of the spe-

cial tax rates. If a district chose to use alternative 1b, it could add that amount to the secured tax rate levied in 1972-73 and the unsecured tax rate levied in 1971-72.

4. Elections to increase revenue limits: Education Code Section 20906 authorized school districts, through elections, to increase revenue limits after September 4, 1973, and prescribed the manner in which such increases could be added to district revenue limits. Such elections were to be conducted in a manner presecribed in Education Code Section 20803.2. Increases or decreases in the revenue limits were to remain in effect only for the period specified on the ballot.

5. Junior high school tuition: A new method was established for computing 7th and 8th grade tuition for those elementary districts participating in the junior high school program operated by a high school district. The maximum amount to be paid to a high school district was to be determined by adding the amounts, per unit of 7th and 8th grade a.d.a., raised in 1972-73 from state and local sources; plus the amount per unit of 7th and 8th grade a.d.a. raised in each elementary district under Education Code Section 20808.5; plus the applicable inflation adjustment per unit of a.d.a. presecribed by Education Code Section 20904.

   The tax rate authorized by Education Code Section 20808.5 and levied in 1972-73 by the high school district was attributed to each participating elementary district for purposes of determining its 1973-74 and 1974-75 revenue limits. The revenue per a.d.a. from this tax rate would be added to the elementary districts' respective revenue limits.

6. Declining a.d.a. adjustment: The declining a.d.a. adjustment provisions were to apply to the second principal apportionment a.d.a., excluding defined adults and summer school a.d.a., and were applicable under the following conditions. However, if the loss was less than or equal to 1 percent of the preceding year's a.d.a., no adjustment was allowed.

   a. If the loss in a.d.a. was greater than 1 percent but less than 2 percent, the estimated a.d.a. for the budget year was to be multiplied by the fraction of a percent by which the difference exceeded 1 percent and added to the estimated a.d.a. of the budget year used to set the revenue limit.

   b. If the loss in a.d.a. was greater than 2 percent, the loss was to be divided by 2 and the quotient added to the budget year a.d.a.

7. Allowance for P.L. 874 loss: Those districts with revenue limits below the foundation program that sustained a loss in P. L. 874 funds due to a reduction in entitlements could add to their revenue limit an amount not to exceed the loss of P. L. 874 funds. When the loss was added to the district's revenue limit, the sum could not exceed the district's foundation program.

8. Interdistrict attendance - tuition payments: Commencing July 1, 1973, and thereafter, the district of residence was to be credited for apportionment purposes with the a.d.a. of pupils attending another school district under an interdistrict attendance agreement. Tuition payments were not to exceed the revenue limit per unit of a.d.a. of the district of attendance. Revenue received from tuition in 1972-73 by the district of attendance could be included in the 1972-73 revenue base of the district of attendance.

In establishing the 1972-73 revenue base, the district of attendance should include the interdistrict attendance a.d.a. In establishing a.d.a. to compute the revenue limits, the district of residence should include the interdistrict attendance a.d.a.

9. Permissive override taxes reinstated:

   a. A special tax rate up to a limit of $0.05 was authorized to provide meals for needy pupils.

   b. A special tax rate up to a limit of $0.05 per level is authorized for community services.

   c. A special district tax rate up to a limit of $0.05 was authorized for capital outlay purposes for Regional Occupation Centers and Programs (ROCs and ROPs).

10. County superintendents expenditure control and tax rate limits.

    The concept of expenditure controls for programs operated by county superintendents was enacted to retard the rate of tax increases associated with these various programs.

Inasmuch as AB 1267 is a direct followup of SB 90, it is impossible to isolate the impact of AB 1267 alone. A defensible attempt to isolate the financial aspects of AB 1267 might be to subtract the SB 90 data developed in Requirement No. 2a from the actual state apportionments and local revenues. The observed difference might then be considered an approximation of the financial aspects of AB 1267, as shown in the following data:

	1973-74 (Actual)	1973-74 (SB 90 alone)	AB 1267 Difference
State Apportionments	$1,518,457,455	$1,518,457,455	-0-
Revenues from Local Taxes	2,828,642,992	2,734,919,636	$93,723,356
Total	$4,347,100,447	$4,253,377,091	$93,723,356

	1974-75 (Actual)	1974-75 (SB 90 alone)	AB 1267 Difference
State Apportionments	$1,593,825,540	$1,593,825,540	-0-
Revenue from Local Taxes	3,167,167,518	3,135,864,708	$31,302,810
Total	$4,760,993,058	$4,729,690,248	$31,302,810

In analyzing the impact of AB 1267, it may be useful to review the extent to which school districts used the various special provisions to affect either the districts' revenue bases or their revenue limits. These special provisions can be grouped as (1) additions; (2) rearrangements; and (3) accommodations.

Additions. Certain special provisions were added to the Education Code by AB 1267 and had the effect of increasing revenue limits for qualifying districts, but such increases were financed solely by revenue from local taxes. The following four provisions of the legislation resulted in additions to revenue limits totaling $93,723,356 in 1973-74 and $31,302,810 in 1974-75:

1. Added inflation factor.

Whereas SB 90 provided $65 per unit of a.d.a. as an inflation factor, in certain instances AB 1267 provided up to an additional $5 per unit of a.d.a. for districts. The additional inflation factor was scaled according to the district's revenue base and was available only to those districts that did not incorporate either the unused portion of a voted override or unrestricted balances in establishing their 1972-73 revenue base. Thus, districts with revenue bases below the foundation program utilized $70 per unit of a.d.a. as their inflation factor; other districts utilized a scaled down factor depending upon the degree to which their revenue bases exceeded the foundation program.

In 1973-74 a total of 771 districts benefited from this provision to the extent of $16,040,443. In 1974-75 the inflation adjustment for SB 90 and AB 1267 had the same financial effect; therefore, there was no difference.

2. Use of unrestricted balances.

SB 90 allowed the 1972-73 revenue base to be constructed from state aid and revenues from local taxes. Many districts had not raised tax rates and even may have reduced tax rates by expending balances in their general funds. SB 90 recognized this use of balances in developing the revenue bases for those districts; however, if a district had used general fund balances, the district could utilize only the $65 per unit of a.d.a. as an inflation factor.

In 1973-74 a total of 186 districts utilized unrestricted balances to the extent of $20,227,589. This was a one time adjustment that applied only to 1973-74.

3. Anticipated P. L. 874 loss.

Although federal P. L. 874 funds were ignored in the computations of revenue bases and revenue limits under SB 90, AB 1267 provided that districts with revenue bases below the foundation program could recover anticipated losses in these federal funds not to exceed the foundation program.

In 1973-74 a total of 131 districts anticipated a loss of $28,493,337 in P. L. 874 funds due to federal legislation or administrative policy.

In 1974-75 a total of 20 districts anticipated a loss of $4,053,455 in P. L. 874 funds.

4. Anticipated decline in enrollments.

While most school districts throughout the state were experiencing some decline in enrollments, in some districts the decline was sufficiently severe to impair the districts' revenue limit funds because the loss in a.d.a. was immediate, whereas the corresponding reduction in expenditures could not be achieved until the next fiscal year. AB 1267 provided some cushion from the immediate impact of such loss.

In 1973-74 a total of 297 districts utilized this provision to add $28,961,987 to their revenue limits.

In 1974-75 a total of 327 districts utilized this provision to add $27,249,355 to their revenue limits.

Rearrangements. A second type of provisions called "rearrangements" were added to the Education Code by AB 1267 to rearrange existing aspects of the law to achieve consistency with the revenue limit concept of SB 90. The provisions related to voted override tax rates or to the tuition paid one district by another district. There were four rearrangement provisions and they dealt with existing conditions; consequently, they did not add to the overall state apportionments or to revenues from local taxes. The four provisions were as follows:

1. Voted tax rate increase to be effective in 1973-74

   Only 11 districts had voted to increase tax rates for 1973-74; the voted increases ranged from a low of $0.20 to a high of $1.25, and all had unspecified termination dates.

2. Unused portion of a voted override

   A total of 97 districts had some portion of a voted override tax rate available to be utilized; the unused portions ranged from a low of $0.01 to a high of $1.99.

3. Tuition received, other than junior high school

   A total of 157 districts reported receiving other than junior high tuition in 1972-73 in the amount of $5,049,930.

4. Junior high tuition received

   In 1973-74 a total of 87 districts reported seventh and eighth grade junior high tuition in the amount of $19,362,175.

   In 1974-75 a total of 92 districts reported seventh and eighth grade junior high tuition in the amount of $20,113,118.

Accommodation. Existing legislation progressively increases a school district's contribution to the State Teachers Retirement System. In AB 1267, this requirement was accommodated in the procedures used to establish the revenue limits for individual districts. Some districts chose to finance this contribution from within the computed revenue limit and thus did not utilize this provision.

In 1973-74 a total of 943 school districts utilized the special provision called "accommodation" and increased revenue limits by $22,751,293.

In 1974-75 a total of 958 school districts utilized the special provision called "accommodation" and increased revenue limits by $41,054,284.

3. Apportionments for Educationally Disadvantaged Youth Programs

ACR 54 Requirement No. 3: Review the state apportionments to those school districts operating approved programs authorized by Chapter 6.10 (Educationally Disadvantaged Youth Programs) as provided in SB 90 and AB 1267.

The Educationally Disadvantaged Youth Programs provide supplementary education designed to overcome educational disadvantages caused by low family incomes, language barriers, and pupil transiency. Entitlements are computed for all eligible elementary, high school, and unified districts. Each district submits projects to the Superintendent of Public Instruction within the computed entitlements. Upon recommendation of the Superintendent of Public Instruction and approval by the State Board of Education, the projects are funded.

1973-74

As of June 30, 1974, the Superintendent of Public Instruction had recommended and the State Board of Education had approved a total of $81,073,188 to fund 392 projects submitted by eligible school districts. The entitlements were computed for 243 eligible elementary districts, 46 eligible high school districts, and 103 eligible unified districts. The entitlements per district ranged from $216 to $25,586,720.

1974-75

As of June 30, 1975, the Superintendent of Public Instruction had recommended and the State Board of Education had approved a total of $83,720,149 to fund 402 projects submitted by eligible school districts. The entitlements were computed for 252 eligible elementary districts, 45 eligible high school districts, and 105 eligible unified districts. The entitlements per district ranged from $216 to $25,577,600.

4. Tax Rates Affected by SB 90 and AB 1267

ACR 54 Requirement No. 4: Indicate the amount of tax rate changes districts experienced as a result of this legislation.

It must be remembered that SB 90 and AB 1267 had the dual thrust of property tax relief and reducing the program disparities between high wealth-low tax and low wealth-high tax districts, as highlighted by the Serrano decision. The procedure of developing revenue limits and indirectly setting the tax rates accordingly meant that some districts had to levy higher tax rates in 1973-74 than they did in 1972-73 if they wanted to utilize the revenue limit authorized, while other districts could levy lower tax rates in 1973-74 than they did in 1972-73.

When the general purpose property tax rates were compared with the general purpose property tax rates levied in the prior year, it was found in 1973-74 that 578 districts experienced a decrease, 29 districts experienced no change in rates, and 442 districts experienced an increase as opposed to 505 decreases, 25 no change, and 518 increases in 1974-75. Five newly unified districts had no 1972-73 rates for comparison. Five newly organized districts had no 1973-74 rates for comparison.

Another major feature of this legislation was the reduction in the number of permissive override levies available to district governing boards to finance specific programs. Those levies associated with various recoupments, with employee benefits, or with special pupils were absorbed within the new general purpose tax, while those levies associated with capital outlay or debt service continued as permissive overrides. This realignment of assorted tax rates precludes a direct comparison of specific rates for one year with another. However, the total tax rates of districts would be unaffected by the realignment, and comparisons over a period of time can be made, as shown in Table 1 below.

Table 1

Median Total Tax Rates, by Type of District
1968-69 Through 1974-75

Type of District	Median Tax Rate, by fiscal year						
	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75
Unified	$4.12	$4.33	$4.50	$4.70	$4.80	$4.48	$4.56
High School	1.99	2.08	2.15	2.20	2.30	2.16	2.11
Elementary	2.15	2.25	2.35	2.35	2.42	2.36	2.49

Total tax rates of districts in 1973-74 were reduced to levels approximating those of 1970-71, despite the fact that the total tax rate of a district includes capital outlay, debt service, and other special taxes which have tended to increase over the years. It must be assumed, therefore, that the districts' general purpose tax rates that are controlled by this legislation were substantially reduced.

In 1974-75 the tax rates increased relative to 1973-74, but the rates, except for elementary, still remained below the 1972-73 levels.

While the annual determination of district revenue limits and the indirect setting of the general purpose property tax rate of the districts effectively established the authorized maximum tax rate, the governing boards of districts are not required to levy the authorized rate. As a consequence, the governing boards of approximately one-fourth of the school districts chose to levy less than the authorized rates in 1973-74 and one-fifth of the school districts chose to levy less in 1974-75.

This choice also meant that the districts would be operating with a correspondingly lower revenue limit per unit of a.d.a. This choice in any one year does not impair or restrict a decision to levy the authorized tax in any subsequent year. The following table provides detail.

Table 2

Districts Levying Less Than the Authorized Revenue Limit Tax Rate, 1973-74, 1974-75

Unused authorized tax rate	Number of districts	
	1973-74	1974-75
$1.01 and more	15	12
.91 - 1.00	3	3
.81 - .90	2	5
.71 - .80	5	5
.61 - .70	11	10
.51 - .60	9	10
.41 - .50	11	7
.31 - .40	33	15
.21 - .30	32	36
.11 - .20	43	37
.02 - .10	91	72
Total	255	212

For the most part, the districts levying less than the authorized revenue limit tax rate could be characterized as belonging to the high wealth-low tax group. In 1973-74 a few low wealth-high tax districts that received substantial P.L. 874 federal funds chose to levy less than the authorized rate.

The extent of change in the general purpose property tax rates actually levied pursuant to SB 90 and AB 1267 is presented in tables 3, 4, and 5, and tables 6 through 10 detail all of the tax rates levied by districts in 1973-74 and 1974-75.

TABLE 3

EXTENT OF CHANGE IN GENERAL PURPOSE PROPERTY TAX RATES LEVIED PURSUANT TO SENATE BILL 90 and ASSEMBLY BILL 1267

Unified Districts, by Number of Districts and Actual Assessed Valuation

Increase or Decrease of Current General Purpose Tax Levied vs Prior Year	Number of Districts		Actual Assessed Valuation 1974-75
	1973-74	1974-75	
Increase			
$1.06 and above	2	8	$ 644,174,504
.91 - 1.05	0	1	30,617,250
.76 - .90	0	8	634,960,859
.61 - .75	6	7	11,476,560,665
.46 - .60	9	12	1,802,207,346
.31 - .45	19	12	830,079,032
.16 - .30	24	19	2,284,815,683
.01 - .15	32	47	4,724,479,799
- 0 -	7	5	$ 642,012,576
Decrease			
$ .01 - .15	32	60	$16,850,425,778
.16 - .30	27	25	4,863,576,801
.31 - .45	10	17	2,979,643,555
.46 - .60	7	10	1,500,512,391
.61 - .75	16	8	721,307,745
.76 - .90	9	5	334,929,139
.91 - 1.05	11	4	103,646,798
1.06 - 1.20	9	2	62,389,875
1.21 - 1.35	7	0	-0-
1.36 - 1.50	6	0	-0-
1.51 - 1.65	4	0	-0-
1.66 - 1.80	3	1	114,595,171
1.81 - 1.95	3	2	30,034,523
1.96 and above	3	0	-0-
TOTAL	246*	253	$50,630,969,490
(Increase	92	114**	$22,427,895,138)
(Decrease	147	134	$27,561,061,776)
(No change	7	5	$ 642,012,576)

* Five newly organized districts are not included.
** Nine districts had voted increases.

TABLE 4

EXTENT OF CHANGE IN GENERAL PURPOSE PROPERTY TAX RATES LEVIED PURSUANT TO SENATE BILL 90 and ASSEMBLY BILL 1267

Elementary Districts, by Number of Districts and Actual Assessed Valuation

Increase or Decrease of Current General Purpose Tax Levied vs Prior Year	Number of Districts 1973-74	Number of Districts 1974-75	Actual Assessed Valuation 1974-75
Increase			
$1.06 and above	3	11	$ 49,274,229
.91 - 1.05	6	11	65,916,605
.76 - .90	11	13	254,780,809
.61 - .75	16	23	323,500,929
.46 - .60	30	45	861,024,043
.31 - .45	37	58	1,235,780,636
.16 - .30	87	92	2,318,110,997
.01 - .15	118	113	3,159,325,646
- 0 -	18	17	$ 558,318,788
Decrease			
$ .01 - .15	81	149	$6,702,054,918
.16 - .30	67	62	3,937,565,729
.31 - .45	57	38	2,716,848,910
.46 - .60	39	12	360,738,189
.61 - .75	40	13	521,175,472
.76 - .90	29	8	99,786,174
.91 - 1.05	27	7	144,645,238
1.06 - 1.20	12	2	169,237,420
1.21 - 1.35	7	3	48,253,287
1.36 - 1.50	1	1	3,798,792
1.51 - 1.65	1	0	-0-
1.66 - 1.80	0	1	10,904,410
1.81 - 1.95	1	0	-0-
1.96 and above	1	1	1,288,685
TOTAL	689	680	$23,542,329,906
(Increase	308	366*	$ 8,267,713,894)
(Decrease	363	297	$14,716,297,224)
(No change	18	17	$ 558,318,788)

* Thirty-two districts had voted increases.

TABLE 5

EXTENT OF CHANGE IN GENERAL PURPOSE PROPERTY TAX RATES LEVIED PURSUANT TO SENATE BILL 90 and ASSEMBLY BILL 1267

High School Districts, by Number of Districts and Actual Assessed Valuation

Increase or Decrease of Current General Purpose Tax Levied vs Prior Year	Number of Districts 1973-74	Number of Districts 1974-75	Actual Assessed Valuation 1974-75
Increase			
$1.06 and above			
.91 - 1.05			
.76 - .90			
.61 - .75			
.46 - .60	0	1	$ 81,785,047
.31 - .45	5	1	80,800,544
.16 - .30	9	5	314,733,243
.01 - .15	28	31	7,204,379,671
- 0 -	4	3	$ 270,217,661
Decrease			
$ .01 - .15	34	45	$11,101,458,739
.16 - .30	18	16	2,492,605,059
.31 - .45	12	7	1,429,204,696
.46 - .60	2	1	36,740,594
.61 - .75	2	1	277,168,020
.76 - .90	0	1	13,306,993
.91 - 1.05	0	0	-0-
1.06 - 1.20	0	2	89,356,545
1.21 - 1.35	0	1	79,738,125
1.36 - 1.50			
1.51 - 1.65			
1.66 - 1.80			
1.81 - 1.95			
1.96 and above			
TOTAL	114	115*	$23,471,494,937
(Increase	42	38**	$ 7,681,698,505)
(Decrease	68	74	$15,519,578,771)
(No change	4	3	$ 270,217,661)

* Includes one new district.
** Eight districts had voted increases.

TABLE 6

DISTRIBUTION OF 1974-75 TAX RATES - Unified Districts

Tax Rate	Total Tax Rate No. Districts	General Purpose Tax Rate No. Districts
Less than $2.00	1	5
2.00 - 2.19	2	5
2.20 - 2.39	4	6
2.40 - 2.59	3	7
2.60 - 2.79	5	12
2.80 - 2.99	8	9
3.00 - 3.19	10	11
3.20 - 3.39	10	9
3.40 - 3.59	6	19
3.60 - 3.79	15	21
3.80 - 3.99	11	49
4.00 - 4.19	11	31
4.20 - 4.39	22	20
4.40 - 4.59	23	17
4.60 - 4.79	35	4
4.80 - 4.99	21	4
5.00 - 5.19	16	4
5.20 - 5.39	11	6
5.40 - 5.59	11	8
5.60 - 5.79	7	-
5.80 - 5.99	4	4
6.00 and more	17	2
Total Districts	253	253
Range:	$1.25 - $7.49	$0.85 - $6.62
Median:	$4.56	$3.89

Tax Rate	Capital Outlay and/or Debt Service Tax Rate No. Districts
None	6
Less than $ .10	8
.10 - .19	24
.20 - .29	35
.30 - .39	25
.40 - .49	34
.50 - .59	25
.60 - .69	21
.70 - .79	20
.80 - .89	27
.90 - .99	16
1.00 - 1.09	9
1.10 - 1.19	-
1.20 - 1.29	1
1.30 - 1.39	2
1.40 - 1.49	-
1.50 - 1.59	-
1.60 - and more	-
Total Districts	253
Range:	$0.00 - $1.39
Median:	$0.48

TABLE 7

DISTRIBUTION OF 1974-75 TAX RATES - Elementary Districts

Tax Rate	Total Tax Rate No. Districts	General Purpose Tax Rate No. Districts
Less than $1.00	8	8
1.00 - 1.19	22	46
1.20 - 1.39	30	32
1.40 - 1.59	32	39
1.60 - 1.79	43	49
1.80 - 1.99	44	56
2.00 - 2.19	52	86
2.20 - 2.39	65	126
2.40 - 2.59	93	93
2.60 - 2.79	89	69
2.80 - 2.99	78	34
3.00 - 3.19	66	18
3.20 - 3.39	26	11
3.40 - 3.59	12	6
3.60 - 3.79	9	4
3.80 - 3.99	4	-
4.00 - 4.19	2	-
4.20 - 4.39	2	1
4.40 - 4.59	1	1
4.60 and more	2	1
Total Districts	680	680
Range:	$0.31 - $5.29	$0.31 - $5.19
Median:	$2.49	$2.24

Tax Rate	Capital Outlay and/or Debt Service Tax Rate No. Districts
None	142
Less than $ .05	34
.05 - .09	45
.10 - .14	52
.15 - .19	47
.20 - .24	57
.25 - .29	45
.30 - .34	65
.35 - .39	73
.40 - .44	52
.45 - .49	28
.50 - .54	18
.55 - .59	7
.60 - .64	4
.65 - .69	4
.70 - .74	1
.75 - .79	-
.80 - .84	1
.85 - .89	2
.90 and more	3
Total Districts	680
Range:	$0.00 - $0.92
Median:	$0.22

TABLE 8

DISTRIBUTION OF 1974-75 TAX RATES - High School Districts

Tax Rate	Total Tax Rate No. Districts	General Purpose Tax Rate No. Districts
Less than $1.00	2	2
1.00 - 1.09	-	2
1.10 - 1.19	1	3
1.20 - 1.29	3	1
1.30 - 1.39	1	8
1.40 - 1.49	2	4
1.50 - 1.59	4	7
1.60 - 1.69	7	14
1.70 - 1.79	5	17
1.80 - 1.89	8	10
1.90 - 1.99	11	11
2.00 - 2.09	12	13
2.10 - 2.19	12	10
2.20 - 2.29	15	6
2.30 - 2.39	10	3
2.40 - 2.49	9	1
2.50 - 2.59	5	2
2.60 - 2.69	4	1
2.70 - 2.79	1	-
2.80 - 2.89	-	-
2.90 - 2.99	3	-
3.00 and more	-	-
Total Districts	115	115
Range:	$0.71 - $2.92	$0.66 - $2.64
Median:	$2.11	$1.80

Tax Rate	Capital Outlay and/or Debt Service Tax Rate No. Districts
None	7
Less than $ .05	7
.05 - .09	12
.10 - .14	19
.15 - .19	11
.20 - .24	20
.25 - .29	5
.30 - .34	10
.35 - .39	11
.40 - .44	8
.45 - .49	1
.50 - .54	3
.55 - .59	1
.60 and more	-
Total Districts	115
Range:	$0.00 - $0.55
Median:	$0.20

TABLE 9

SPECIAL TAX RATES FOR OTHER THAN CAPITAL OUTLAY AND DEBT SERVICE

1974-75 Fiscal Year

Tax by Purpose and Type of District	Legal Reference	Maximum Tax Authorized	Districts Levying Tax					Percent of Districts Levying Tax
			.05 or Less	.06 - .10	.11 - .15	.16 and Over	Total	
Community Services (General Fund)	E.C. 20801							
Unified Districts		.10	11	209	-	-	220	87.0
Elementary Districts		.05	406	-	-	-	406	59.7
High School Districts		.05	104	-	-	-	104	90.4
Meals for Needy Pupils (General Fund)	E.C. 11872							
Unified Districts		.05	112	-	-	-	112	44.3
Elementary Districts		.05	128	-	-	-	128	18.8
High School Districts		.05	32	-	-	-	32	27.8
Children's Center Fund	E.C. 16750							
Unified Districts		-	24	8	4	2	38	15.0
Elementary Districts		-	12	5	2	-	19	2.8
High School Districts		-	2	-	-	-	2	1.7
Development Center Fund	E.C. 6880.16							
Unified Districts		-	16	-	-	-	16	6.3
Elementary Districts		-	11	-	-	-	11	1.6
High School Districts		-	1	-	-	-	1	0.9

TABLE 10

SPECIAL TAX RATES FOR CAPITAL OUTLAY AND DEBT SERVICE

1974-75 Fiscal Year

Tax by Purpose and Type of District	Legal Reference	Maximum Tax Authorized	Districts Levying Tax					Percent of Districts Levying Tax
			.05 or Less	.06 - .10	.11 - .15	.16 and Over	Total	
Repayment of Bond Principal and Interest	E.C. 22101							
Unified Districts		-	7	17	15	174	213	84.2
Elementary Districts		-	53	79	87	224	443	65.1
High School Districts		-	12	15	17	46	90	78.3
Repayment of State School Building Loan	E.C. 19619							
Unified Districts		-	34	14	7	80	135	53.4
Elementary Districts		-	39	29	23	158	249	36.6
High School Districts		-	3	4	5	14	26	22.6
Earthquake Safety Correction Measures	E.C. 15518							
Unified Districts		.20	2	41	2	28	73	28.9
Elementary Districts		.20	1	22	1	15	39	5.7
High School Districts		.20	3	21	-	9	33	28.7
Repayment of Public School Building Fund	E.C. 19443							
Unified Districts		-	13	10	5	18	46	18.2
Elementary Districts		-	2	6	4	62	74	10.9
High School Districts		-	-	-	-	-	-	-
Regional Occupational Center and Program	E.C. 7456 E.C. 19700.3							
Unified Districts		.05	31	-	-	-	31	12.3
High School Districts		.05	14	-	-	-	14	12.2
Bond and Interest Charges to Component Districts	E.C. 1905							
Unified Districts		-	-	-	-	11	11	4.3
Elementary Districts		-	1	-	-	1	2	0.3
High School Districts		-	-	-	-	1	1	0.9
Assessments for Utilities Installation	S & H 5302.5							
Unified Districts		-	10	-	-	-	10	4.0
Elementary Districts		-	4	-	-	-	4	0.6
High School Districts		-	1	-	-	-	1	0.9

TABLE 10 (Continued)

SPECIAL TAX RATES FOR CAPITAL OUTLAY AND DEBT SERVICE

1974-75 Fiscal Year

Tax by Purpose and Type of District	Legal Reference	Maximum Tax Authorized	Districts Levying Tax					Percent of Districts Levying Tax
			.05 or Less	.06 - .10	.11 - .15	.16 and Over	Total	
Repayment of State School Loan (Comp. Educ.)	E.C. 19695							
Unified Districts		-	5	1	1	-	7	2.8
Elementary Districts		-	2	-	2	6	10	1.5
High School Districts		-	-	2	-	-	2	1.7
Leasing School Facilities	E.C. 15708/09							
Unified Districts		-	1	-	-	4	5	2.0
Elementary Districts		-	-	-	-	1	1	0.1
High School Districts		-	-	1	-	-	1	0.9
Repayment of State School Loan (Except. Child.)	E.C. 19683.5							
Unified Districts		-	3	-	-	-	3	1.2
Elementary Districts		-	27	-	-	-	27	4.0
High School Districts		-	5	-	-	-	5	4.3
Repayment of State School Loan (Except. Child.)	E.C. 19688							
Unified Districts		-	-	-	-	-	-	-
Elementary Districts		-	4	-	-	-	4	0.6
High School Districts		-	2	-	-	-	2	1.7
Repayment of State School Loan (Except. Child.)	E.C. 19687							
None		-	-	-	-	-	-	-

5. Extent of Equalization of Expenditures per A.D.A.

ACR 54 Requirement No. 5: Determine the extent to which the current expense per unit of average daily attendance among districts has been equalized.

While SB 90 and AB 1267 invoke the concept of revenue limits upon school districts and contain the mechanisms to increase the flow of revenues to low wealth-high property tax districts while retarding the flow of revenues to high wealth-low property tax districts, it is unrealistic to assume that this legislation will equalize per pupil expenditures among districts to any appreciable degree.

Per pupil expenditures represent general fund expenditures of federal, state, and local revenues. Federal revenues and state revenues for categorical aid are not used in the calculations determining the revenue limits of districts, but such revenues are reflected in the per pupil expenditure data. For example, in 1974-75 federal revenue of approximately $400 million flowed to districts, was spent, and is represented in the per pupil expenditures. The $84 million provided by SB 90 for use in programs for educationally disadvantaged pupils flowed to districts as categorical aid, was spent, and will be reflected in the per pupil expenditures. Thus, the expenditure control inherent in revenue limits extends only to some unidentifiable portion of the per pupil expenditures.

In 1973-74 California's average daily attendance decreased .4 percent from the prior year (from 4,629,135 to 4,612,621) while the amount of current expense increased 11.3 percent (from $4,488,870,271 to $4,997,354,364). This resulted in an increase of 11.7 percent in the current expense per unit of a.d.a. (from $970 to $1,083).

In 1974-75 both California's average daily attendance and current expense of education increased. A.d.a. increased 1.1 percent from the prior year (from 4,612,621 to 4,665,615) and current expense increased 11.1 percent (from $1,083 to $1,204.

Tables 11, 12, and 13 present a distribution of the current expense per unit of a.d.a. for 1972-73, 1973-74, and 1974-75 for the various types of districts. A comparison of the median and quartile values for the three years probably best demonstrates the degree to which the current expense per unit of a.d.a. has been equalized during the first years of the new school finance program.

In 1973-74 the percent of increase at the first quartile was greater than the percent of increase at the third quartile. This indicated that over a sufficient period of time, additional equalization could be achieved. However, changes to SB 90 and AB 1267 et al have allowed increased local revenue, therefore deferring equalization, as can be seen in 1974-75 data.

TABLE 11

Comparison of 1972-73 and 1973-74 with 1974-75 per Pupil Expenditures in Unified Districts

Total current expense per unit of a.d.a.	1972-73		1973-74		1974-75	
	No. of districts with this expense	A.d.a. for identified districts	No. of districts with this expense	A.d.a. for identified districts	No. of districts with this expense	A.d.a. for identified districts
$1,750 and above	5	16,861	10	104,056	19	114,121
1,700 - 1,749	1	228	1	6,578	2	3,130
1,650 - 1,699	1	14,670	1	847	2	3,003
1,600 - 1,649	1	75,892	3	3,084	2	613
1,550 - 1,599	4	8,540	2	316	8	95,890
1,500 - 1,549	2	4,373	4	9,205	7	12,571
1,450 - 1,499	1	850	5	32,132	5	13,507
1,400 - 1,449	3	8,186	5	61,063	8	60,863
1,350 - 1,399	3	3,724	7	8,204	16	168,809
1,300 - 1,349	4	1,991	8	20,288	11	65,474
1,250 - 1,299	3	28,809	16	139,454	22	177,962
1,200 - 1,249	7	90,708	10	77,116	20	795,829
1,150 - 1,199	14	104,128	19	171,503	29	435,226
1,100 - 1,149	11	21,975	19	133,501	38	396,470
1,050 - 1,099	23	220,982	26	904,213	31	444,829
1,000 - 1,049	18	138,379	31	421,222	22	217,184
950 - 999	25	1,012,790	43	557.635	9	106,130
900 - 949	29	256,966	20	233,524	2	11,169
850 - 899	30	441,495	19	156,937	0	-0-
800 - 849	34	349,439	2	17,315	0	-0-
750 - 799	23	217,544	0	-0-	0	-0-
749 and below	2	16,098	0	-0-	0	-0-
Totals	244	3,034,628	251	3,058,193	253	3,122,780

1972-73		1973-74		1974-75	
Median	$ 958	Median	$1,070	Median	$1,192
Q1	$ 853	Q1	$ 975	Q1	$1,099
Q3	$1,098	Q3	$1,246	Q3	$1,368
Range	$ 726 - $2,638	Range	$ 840 - $2,941	Range	$ 944 - $2,831

TABLE 12

Comparison of 1972-73 and 1973-74 with 1974-75 per Pupil Expenditures in Elementary Districts

Total current expense per unit of a.d.a.	1972-73		1973-74		1974-75	
	No. of districts with this expense	A.d.a. for identified districts	No. of districts with this expense	A.d.a. for identified districts	No. of districts* with this expense	A.d.a. for identified districts
$1,600 and over	39	2,372	49	3,933	86	27,002
1,550 - 1,599	4	261	3	170	9	4,649
1,500 - 1,549	6	800	5	1,602	12	8,516
1,450 - 1,499	5	686	11	3,244	12	2,931
1,400 - 1,449	8	3,413	14	21,103	17	14,505
1,350 - 1,399	7	781	9	10,127	25	38,199
1,300 - 1,349	8	8,952	15	9,148	18	19,016
1,250 - 1,299	14	11,763	20	15,198	21	49,005
1,200 - 1,249	18	21,561	19	32,300	31	46,877
1,150 - 1,199	16	10,962	29	51,318	41	88,341
1,100 - 1,149	21	34,015	32	41,326	49	114,802
1,050 - 1,099	25	14,716	33	51,047	55	151,052
1,000 - 1,049	26	54,591	44	121,791	73	168,321
950 - 999	34	38,469	73	163,519	61	137,237
900 - 949	34	80,589	61	198,011	55	45,592
850 - 899	61	187,630	67	137,958	50	45,239
800 - 849	79	209,686	65	69,928	30	8,796
750 - 799	73	201,660	51	43,313	19	8,324
700 - 749	67	77,011	39	22,644	4	1,537
650 - 699	74	54,082	29	9,325	5	1,112
600 - 649	49	27,395	12	2,268	4	293
599 and below	38	10,515	7	652	0	-0-
Totals	706	1,051,910	687	1,010,025	677	981,346

1972-73	1973-74	1974-75
Median $ 833	Median $ 959	Median $1,084
Q1 $ 712	Q1 $ 826	Q1 $ 952
Q3 $1,039	Q3 $1,154	Q3 $1,327
Range $ 440 - $3,722	Range $ 535 - $3,631	Range $ 602 - $3,542

*McKittrick Elementary School District has been omitted from the analysis.

TABLE 13

Comparison of 1972-73 and 1973-74 with 1974-75 per Pupil Expenditures in High School Districts

Total current expense per unit of a.d.a.	1972-73		1973-74		1974-75	
	No. of districts with this expense	A.d.a. for identified districts	No. of districts with this expense	A.d.a. for identified districts	No. of districts with this expense	A.d.a. fc identifie districts
$1,900 and over	1	821	4	1,400	8	3,353
1,850 - 1,899	2	368	0	-0-	0	-0-
1,800 - 1,849	2	437	1	979	5	19,504
1,750 - 1,799	1	231	1	237	2	1,303
1,700 - 1,749	0	-0-	4	18,929	4	16,488
1,650 - 1,699	1	11,749	4	13,714	3	2,709
1,600 - 1,649	1	5,908	2	1,264	4	1,312
1,550 - 1,599	5	15,130	3	1,449	3	8,085
1,500 - 1,549	3	1,451	0	-0-	8	8,429
1,450 - 1,499	1	702	3	1,691	4	3,176
1,400 - 1,449	0	-0-	6	23,961	10	83,144
1,350 - 1,399	2	2,470	4	6,339	8	35,481
1,300 - 1,349	8	12,102	9	19,988	18	87,127
1,250 - 1,299	6	17,142	16	88,890	8	54,943
1,200 - 1,249	10	33,749	13	42,195	10	72,414
1,150 - 1,199	15	75,411	16	97,006	9	81,370
1,100 - 1,149	11	65,555	13	71,408	7	53,902
1,050 - 1,099	14	80,100	11	104,491	2	20,084
1,000 - 1,049	18	87,131	2	7,829	1	6,765
950 - 999	8	54,822	1	16,018	0	-0-
900 - 949	6	35,988	1	26,615	0	-0-
899 and below	2	41,345	0	-0-	0	-0-
Totals	117	542,612	114	544,403	114	559,589

1972-73		1973-74		1974-75	
Median	$1,148	Median	$1,250	Median	$1,363
Q1	$1,037	Q1	$1,151	Q1	$1,248
Q3	$1,281	Q3	$1,394	Q3	$1,558
Range	$ 868 - $2,106	Range	$ 945 - $2,093	Range	$1,005 - $2,629

6. SB 90 and AB 1267 Impact on County Superintendents of Schools

ACR 54 Requirement No. 6: Indicate the change in expenditures by program and the change in tax rates under the control of the county superintendents of schools.

The revenue limit concepts embodied in SB 90 and AB 1267 applied to the offices of county superintendents of schools in somewhat the same way that they applied to individual school districts; however, more limits were placed on expenditures than on revenues. In addition, this legislation increased the state aid for specific programs; e.g., Special Schools and Classes, Regional Occupation Centers and Programs, and Juvenile Hall Schools and Camps.

During 1973-74 the direct effect of the new legislation on the expenditures under the control of the county superintendent was not readily apparent in the expenditures for the physically handicapped or educationally handicapped programs or in the two programs for the mentally retarded. The most apparent change was the decrease in tax revenues for juvenile halls due to increases in state aid. In fiscal year 1974-75 the increases in county administration was attributed to rising inflation and the completion of the shift from showing taxes as county board of supervisor taxes versus county board of education taxes. The increases in county taxes for special schools and classes and ROC/ROP are partially attributed to inflation and the balance to increased program levels.

AB 1267 revamped the tax rate structure of the offices of the county superintendents. Prior to AB 1267, the county supervisors levied the tax rate for juvenile halls; now the county superintendent levies the tax.

In fiscal year 1973-74, the foundation program was increased substantially, thus allowing property tax rollback from the levels that would have been obtained. In fiscal year 1974-75, the foundation program increased moderately and inflation jumped to record highs. Because of a change in accounting detail, county taxes by program were lost. The amounts shown in Table 14 for county taxes are based on prorating the total expense percentage against the total county taxes for these programs.

Table 14 details the county tax revenues, the current expense, and the capital outlay expenditures associated with various programs operated by the offices of county superintendents of schools. Data for four consecutive years are presented to highlight trends.

Tables 15 and 16 present the tax rates for school purposes, as levied by the county superintendents in 1972-73, 1973-74, and 1974-75. The section of the tables captioned "Levied on School District Areas" is directly associated with SB 90 and AB 1267.

Table 14

Tax Revenues and Expenditures for Programs Operated by County
County Superintendents of Schools, 1971-72, 1972-73, 1973-74 and 1974-75

Program	Amount by Fiscal Year			
	1971-72	1972-73	1973-74	1974-75
Physically Handicapped				
Tax Revenue	$11,991,994	$12,797,880	$15,339,660	$23,587,489
Current Expense	22,602,183	29,416,583	36,320,134	44,502,973
Capital Outlay	1,427,952	1,484,071	2,130,000	2,257,678
Educationally Handicapped				
Tax Revenue	(none)	(none)	(none)	(none)
Current Expense	2,647,096	3,444,240	4,565,236	6,762,285
Capital Outlay	69,666	44,397	110,341	163,746
Educable Mentally Retarded				
Tax Revenue	786,519	769,742	858,709	952,069
Current Expense	*	3,201,291	3,074,771	3,132,686
Capital Outlay	**	88,981	84,535	142,599
Trainable Mentally Retarded				
Tax Revenue	6,820,950	8,019,768	8,533,472	11,222,719
Current Expense	17,925,868*	16,777,663	18,320,610	20,072,652
Capital Outlay	830,212**	918,178	1,111,116	2,175,994
Juvenile Hall				
Tax Revenue	5,607,929	7,461,880	4,858,738	7,951,038
Current Expense	9,324,134	11,224,029	12,594,851	15,330,167
Capital Outlay	115,446	224,318	245,035	432,992
ROC/ROP				
Tax Revenue	3,296,550	6,158,463	6,664,736	17,293,651
Current Expense	N/A	8,042,899	14,858,718	31,096,365
Capital Outlay	N/A	865,673	1,314,227	1,800,000

N/A: Not Available

* Current expense for the EMR program is included in the TMR figure.

** Capital outlay for the EMR program is included in the TMR figure.

Table 15

Tax Rates for School Purposes Levied by Offices of County Superintendents of Schools by Areas in Counties

1972-73 Fiscal Year

Areas in which tax was levied and purpose of tax	Legal reference	Maximum tax authorized	Number of areas levying tax, by amount					Total areas	Percent of areas subject to tax
			Less than $.05	$.05-.09	$.10-.14	$.15 & over	Total		
Levied Uniformly Over Areas in Counties									
Children's Institutions	EC 6955	-	10	9	11	4	34	58	58.6
Equalization Offset	EC 17263.1	-	39	1	-	-	40	58	69.0
County School Tuition to Other States	EC 20157	-	4	-	-	-	4	58	6.9
County Office Support (21 counties)	EC 20404	-	143	195	101	15	454	950	47.8
Levied on School District Areas *									
Physically Handicapped Minors	EC 895.8	-	524	247	-	-	771	950	81.2
Mentally Retarded Minors, Trainable	EC 895.7	-	677	44	-	-	721	950	75.9
Mentally Retarded Minors, Educable	EC 895.6	.10	214	24	10	-	248	950	26.1
Development Centers for Handicapped	EC 16645.9	-	486	26	-	-	512	950	53.9
Regional Occupational Centers	EC 7456	.15	181	114	-	-	295	950	31.1
Housing for Exceptional Children	EC 19687	-	180	1	-	-	181	950	19.1
Children's Centers	EC 16635	-	55	-	-	-	55	950	5.8
Levied in Special Areas #									
Community College Tuition	EC 20202	-	1	-	2	84	87	90	96.7
High School Tuition	EC 5661	-	-	-	-	2	2	2	100.0

* Unified and elementary school districts

\# Areas not in community college districts (52 unified and 38 elementary school district areas) and those not in high school districts (2 elementary school district areas)

Table 16

Tax Rates for School Purposes Levied by Offices of County Superintendents of Schools by Areas in Counties

1973-74 Fiscal Year

Areas in which tax was levied and purpose of tax	Legal reference	Maximum tax authorized	Number of areas levying tax by amount					Total areas	Percent of areas subject to tax
			.05 or Less	.06-.10	.11-.15	.16 & Over	Total		
Levied Uniformly Over Counties									
Children's Institutions	E.C. 6955		40	1	-	-	41	58	70.7
Equalization Offset	E.C. 17263.1		9	6	7	17	39	58	67.2
County Office Support	E.C. 20456		14	9	6	1	30	58	51.7
Co. School Tuition to Other States	E.C. 20158		4	1	-	-	5	58	8.6
Levied on School District Areas*									
Physically Handicapped Minors	E.C. 20450(c)(d)		559	207	-	-	766	940	81.5
Mentally Retarded Minors, Trainable	E.C. 20450(b)		624	14	-	-	638	940	67.9
Mentally Retarded Minors, Educable	E.C. 20450(b)		270	17	-	-	287	940	30.5
Development Centers	E.C. 6880.16		479	-	-	-	479	940	51.0
Capital Outlay Costs	E.C. 20454	.05	275	-	-	-	275	940	29.3
Regional Occupational Centers	E.C. 7456	.05/.10	212	4	-	-	216	940	23.0
Juvenile Hall	E.C. 20450(e)		201	-	-	-	201	940	21.4
Housing for Exceptional Children	E.C. 19685 & 19687		123	-	-	-	123	940	13.1
Tuition Charges	E.C. 20455		29	-	-	-	29	940	3.1
School Building Aid Law	E.C. 20453		22	-	-	-	22	940	2.3
Childrens Center	E.C. 16606.5		18	-	-	-	18	940	1.9
Misc. Special Taxes	-		125	2	-	-	127	940	13.5
Levied in Special Areas#									
Community College Tuition	E.C. 20202		1	-	3	70	74	74	100.0
High School Tuition	E.C. 5661		-	-	-	2	2	2	100.0

*Unified and elementary school districts

#Areas not in community college districts (41 unified and 33 elementary school district areas) and those not in high school districts (2 elementary school district areas).

TABLE 16 (Continued)

Tax Rates for School Purposes Levied by Offices of County Superintendents

1974-75 Fiscal Year

Areas in which tax was levied and purpose of tax	Legal reference	Maximum tax authorized	Number of areas subject to tax rate					Total Areas	Percent of areas subject to tax
			.05 or Less	.06-.10	.11-.15	.16 & Over	Total		
Levied Uniformly Over Counties									
Children's Institutions	E.C. 6955		40	4	-	-	44	58	75.9
Equalization Offset	E.C. 17263.1		12	8	5	14	39	58	67.2
County Office Support	E.C. 20456		15	14	3	2	34	58	58.6
Co. School Tuition to Other States	E.C. 20158		4	1	-	1	6	58	10.5
Levied on School District Areas*									
Physically Handicapped Minors	E.C. 20450(c)(d)		379	238	100	-	717	933	76.9
Mentally Retarded Minors, Trainable	E.C. 20450(b)		596	70	-	-	666	933	71.4
Mentally Retarded Minors, Educable	E.C. 20450(b)		332	65	-	-	397	933	42.6
Development Centers, For Handicapped	E.C. 6880.16		489	43	-	-	532	933	57.0
Regional Occupational Centers	E.C. 7456	.05/.10	253	80	-	-	333	933	35.7
Capital Outlay Costs	E.C. 20454	.05	321	-	-	-	321	933	34.5
Juvenile Hall	E.C. 20450(e)		270	-	-	-	270	933	28.9
Housing for Exceptional Children	E.C. 19685 & 19687		178	-	-	-	178	933	19.1
Special Education	E.C. 885.5		83	-	-	-	83	933	8.9
School Building Aid Law	E.C. 20453		32	-	-	-	32	933	3.4
Tuition Charges	E.C. 20455		29	-	-	-	29	933	3.1
Development Center	E.C. 16750		18	-	-	-	18	933	1.9
Misc. Special Taxes			20	-	-	-	20	933	2.1
Levied in Special Areas#									
High School Tuition	E.C. 5661		-	-	-	2	2	2	100.0

*Unified and elementary school districts

#Areas not in high school districts (2 elementary school district areas).
The data on community college tuition tax rates will no longer be reported.

7. Revenue for Early Childhood Education

ACR 54 Requirement No. 7: Indicate the amount of state revenues allocated in districts participating in the Early Childhood Education Program.

1973-74

During 1973-74, a total of $24,065,086 was allocated to 800 school districts participating in the Early Childhood Education Program as provided in SB 90. A balance of approximately $900,000 was carried over to be allocated in the next fiscal year.

1974-75

A total of $40,884,144 was allocated to 815 school districts participating in the Early Childhood Education Program as provided in SB 90.

8. School District Use of Additional Aid

ACR 54 Requirement No. 8: Survey a sample of school districts to determine the uses made of the additional program aid provided by SB 90 and AB 1267

For fiscal year 1973-74 the additional state and local aid provided by SB 90 and AB 1267 was considered significant. A survey was therefore conducted on a sample basis to determine the use of the additional aid and the results were reported in the first ACR 54 study issued in 1975.

In 1974-75 no additional funds, other than those to cover inflation, were provided; therefore, no survey was made to determine the uses made of additional program aid provided by SB 90 and AB 1267.

APPENDIX A

Representative Data for Fiscal Years 1973-74 and 1974-75

Appendix A presents representative data for 1972-73, 1973-74, and 1974-75. The representative data in Tables A-1 through A-3 were utilized in building the revenue bases for individual school districts for fiscal years 1972-73, 1973-74, and 1974-75.

DISTRICT REVENUE LIMIT COMPUTATIONS PURSUANT TO S.B. 90 AND A.B. 1267

TABLE A-1
SELECTED 1972-73 DATA

COUNTY District	Modified Assessed Valuation Per A.D.A.	Tax Rates				Revenue					Foundation Program A.D.A.	Revenue Base Per A.D.A.
			Included in Total			Local Revenue						
							Included in Total:					
		Total	Voted Increase	Unused Override	Area Wide	Total	Unrestricted Balances	Tuition Received	State Aid	Total Revenue		(5÷6)
	(1)	(2)	(2a)	(2b)	(2c)	(3)	(3a)	(3b)	(4)	(5)	(6)	(7)
SACRAMENTO COUNTY												
ELEMENTARY SCHOOL DISTRICTS												
Archoe Union	$ 25,878	$2.0330	- -	- -	$1.1050	$ 117,644	$ 12,173	- -	$ 50,843	$ 168,487	257	$ 655.59
Center Joint	2,926	2.3050	- -	- -	1.0900	173,061	- -	- -	586,466	759,527	1,187	639.87
Del Paso Heights	3,529	2.2620	- -	- -	1.1350	268,636	- -	- -	1,009,604	1,278,240	1,941	658.54
Elverta Joint	8,815	2.8700	- -	- -	1.1350	122,233	- -	- -	191,303	313,536	501	625.82
Galt Joint Union	12,452	1.7800	- -	- -	1.1050	363,131	24,589	- -	258,783	621,914	1,182	526.15
Natomas Union	116,894	2.7850	- -	- -	1.1350	238,809	- -	- -	37,270	276,079	132	2,091.51
North Sacramento	13,884	2.9870	- -	- -	1.1350	2,238,453	143,788	- -	2,026,844	4,265,297	6,244	683.10
Rio Linda Union	6,164	2.2400	- -	- -	1.1350	2,153,839	238,298	- -	5,235,118	7,388,957	11,770	627.78
Robla	6,275	2.0590	- -	- -	1.1350	195,328	- -	- -	600,561	795,889	1,263	630.16
HIGH SCHOOL DISTRICTS												
Galt Joint Union	37,923	1.9930	- -	- -	- -	726,008	- -	- -	227,426	953,434	904	1,054.28
Grant Joint Union	20,874	2.1180	- -	- -	- -	4,281,828	273,790	- -	3,769,950	8,051,778	9,853	817.19
UNIFIED SCHOOL DISTRICTS												
Elk Grove	10,471	3.8660	- -	- -	- -	4,137,148	- -	- -	2,857,281	6,994,429	10,652	656.63
Folsom-Cordova	6,386	4.2090	- -	- -	- -	3,310,001	- -	- -	5,028,320	8,338,321	12,606	661.46

DISTRICT REVENUE LIMIT COMPUTATIONS PURSUANT TO S.B. 90 AND A.B. 1267

TABLE A-2
SELECTED 1973-74 DATA

COUNTY District	Estimated Foundation Program A.D.A.	Estimated Revenue Limit						Estimated Revenue Limit Per A.D.A.	Actual Data				
			Included in Total						Tax Rates				
		Total	Increase Due to P.L. 874 Loss	Junior High Tuition	Increase for Teachers Retirement	Declining Enrollment Adjustment	State Aid		Total Levied	Areawide (Included in Col. 4)	Modified A/V per A.D.A.	Foundation Program A.D.A.	Recalculated Revenue Base per A.D.A.
	(1)	(2)	(2a)	(2b)	(2c)	(2d)	(2e)	(3)	(4)	(5)	(6)	(7)	(8)
SACRAMENTO COUNTY													
ELEMENTARY SCHOOL DISTRICTS													
Arcnoe Union	247	$ 194,891	$ 265	- -	$ 1,611	$ 6,795	$ 58,156	$ 789.03	$2.4970	$1.1370	$26,067	263	$ 753.94
Center Joint	1,135	870,052	- -	- -	10,868	16,730	691,150	766.57	2.5330	1.0900	3,381	1,133	742.25
Del Paso Heights	1,845	1,510,048	37,121	29,313	(1,063)	35,281	1,172,873	818.45	3.1940	1.1440	3,867	1,843	763.91
Elverta Joint	459	382,241	13,334	18,933	1,663	15,100	250,636	832.77	3.2060	1.1440	9,448	461	725.95
Galt Joint Union	1,210	* 774,261	4,755	- -	4,225	- -	512,334	639.89	1.3100	1.1370	12,403	1,241	605.07
Natomas Union	125	273,898	- -	- -	1,671	7.023	16,500	2,191.18	2.7880	1.1440	154,866	111	2,121.70
North Sacramento	5,941	5,171,362	- -	367,990	38,422	101,265	2,917,039	870.45	2.9560	1.1440	15,819	5,873	785.00
Rio Linda Union	11,294	9,159,801	486,241	308,755	39,776	171,360	6,544,419	811.03	2.3380	1.1440	6,975	11,431	721.95
Robla	1,234	957,980	21,005	31,081	3,858	- -	748,562	776.32	2.0130	1.1440	6,483	1,185	730.99
HIGH SCHOOL DISTRICTS													
Galt Joint Union	896	1,013,829	- -	- -	6,116	- -	336,879	1,131.51	1.9280	- -	39,073	926	1,124.68
Grant Joint Union	9,831	9,167,901	- -	- -	98,195	- -	5,561,105	932.55	1.6640	- -	22,308	9,369	930.91
UNIFIED SCHOOL DISTS.													
Elk Grove	11,041	8,609,810	139,448	- -	60,543	- -	4,473,111	779.80	3.1800	- -	11,264	11,001	761.69
Folsom-Cordova	12,532	9,627,955	- -	- -	12,232	- -	7,255,944	768.27	2.5720	- -	6,775	12,360	767.29

*Includes "Negative Local Tax Requirement" of $33,143

DISTRICT REVENUE LIMIT COMPUTATIONS PURSUANT TO S.B. 90 AND A.B. 1267

TABLE A-3
SELECTED 1974-75 DATA

COUNTY District	Estimated Foundation Program A.D.A.	Revenue Limit						Revenue Limit Per A.D.A.	Tax Rates				
			Included in Total										
		Total	Increase Due to P.L. 874 Loss	Junior High Tuition	Increase for Teachers Retirement	Declining Enrollment Adjustment	State Aid		Total Computed 1974-75	Areawide (Included in Cols. 4 and 6)	Total Levied 1974-75	Total Levied 1973-74	Increase or Decrease (6 - 7)
	(1)	(2)	(2a)	(2b)	(2c)	(2d)	(2e)	(3)	(4)	(5)	(6)	(7)	(8)
SACRAMENTO COUNTY													
ELEMENTARY SCHOOL DISTRICTS													
Archoe Union	264	$ 208,343	- -	- -	$ 3,414	- -	$ 78,681	$ 799.94	$2.1910	$1.1130	$2.1910	$2.4970	$ (.3060
Center Joint	1,090	880,751	- -	- -	4,041	$ 15,263	687,453	788.25	1.0900	1.0900	1.0900	2.5330	(1.4430
Del Paso Heights	1,705	1,536,144	- -	$ 29,678	(1,636)	53,925	1,161,089	809.91	3.7920	1.1190	3.7920	3.1940	.5980
Elverta Joint	399	351,745	- -	17,627	443	24,594	225,166	771.95	2.9020	1.1190	2.9020	3.2060	(.3040
Galt Joint Union	1,255	880,592	- -	- -	7,325	- -	586,553	651.07	1.2590	1.1130	1.2590	1.3100	(.0510
Natomas Union	112	234,133	- -	- -	2,639	- -	13,875	2,138.28	2.4360	1.1190	2.4360	2.7880	(.3520
North Sacramento	5,531	5,186,569	- -	356,771	22,441	142,077	2,892,266	829.82	2.9190	1.1190	2.9190	2.9560	(.0370
Rio Linda Union	11,016	9,558,000	- -	308,099	21,497	147,608	6,737,621	767.95	2.8900	1.1190	2.8900	2.3380	.5520
Robla	1,149	1,050,202	- -	31,082	3,267	18,562	746,008	776.99	3.4600	1.1190	3.4600	2.0130	1.4470
HIGH SCHOOL DISTRICTS													
Galt Joint Union	896	1,066,211	- -	- -	10,916	15,246	347,433	1,172.82	1.8490	- -	1.8490	1.9280	(.0790
Grant Joint Union	9,908	9,701,185	- -	- -	34,641	- -	6,057,712	987.91	1.6410	- -	1.6410	1.6640	(.0230
UNIFIED SCHOOL DISTRICTS													
Elk Grove	11,323	10,117,341	$ 143,310	- -	124,855	- -	5,006,533	812.69	3.9000	- -	3;9000	3.1800	.7200
Folsom-Cordova	12,547	11,112,762	- -	- -	58,446	- -	8,055,287	818.29	2.6110	- -	2.6110	2.5720	.0390

APPENDIX B
UNIFIED DISTRICT REVENUE BASES/LIMITS
1972-73, 1973-74, and 1974-75
by Foundation Program A.D.A.

Revenue Base/Limit Per A.D.A.	Number of Districts			1974-75 Foundation Program A.D.A.	
	1972-73	1973-74	1974-75		
$1,580 and above*	8	11	14	26,403	
1,540 - 1,579	1	3	1	15,269	
1,500 - 1,539	4	0	1	845	
1,460 - 1,499	0	1	2	5,139	
1,420 - 1,459	0	3	4	74,639	
1,380 - 1,419	3	3	2	3,077	
1,340 - 1,379	4	0	1	840	
1,300 - 1,339	1	1	4	18,131	
1,260 - 1,299	1	7	3	12,422	
1,220 - 1,259	4	5	7	63,209	
1,180 - 1,219	2	6	13	51,317	
1,140 - 1,179	5	10	8	61,210	
1,100 - 1,139	10	12	14	191,649	
1,060 - 1,099	7	12	11	89,882	
1,020 - 1,059	12	9	14	109,743	
980 - 1,019	11	12	18	110,110	
940 - 979	8	17	21	926,127	
900 - 939	12	20	40	494,912	(1974-75 Foundation Program Range)[a]
860 - 899	15	38	42	574,824	
820 - 859	20	40	19	156,417	
780 - 819	25	25	12	81,998	
740 - 779	29	10	1	7,271	
739 and below*	64	1	1	6,418	
TOTAL	246**	246**	253	3,081,852	

* Detail follows
** Five newly organized districts not included

[a] F.P. = Approx. $906

Revenue Base/Limit
Medians, Quartiles, and Ranges

	1972-73	1973-74	1974-75
Median	$ 830	$ 918	$ 962
Q^1	739	846	889
Q^3	1,022	1,102	1,131
Range	$575 - $2,754	$703 - $2,790	$718 - $2,793

ELEMENTARY DISTRICT REVENUE BASES/LIMITS
1972-73, 1973-74, and 1974-75
by Foundation Program A.D.A.

Revenue Base/Limit Per A.D.A.	Number of Districts			1974-75 Foundation Program A.D.A.	
	1972-73	1973-74	1974-75		
$1,505 and above*	58	78	69	9,158	
1,465 - 1,504	8	5	7	3,342	
1,425 - 1,464	7	5	7	4,222	
1,385 - 1,424	3	8	8	8,627	
1,345 - 1,384	8	6	6	3,928	
1,305 - 1,344	8	5	7	1,737	
1,265 - 1,304	5	12	9	1,775	
1,225 - 1,264	7	5	9	9,397	
1,185 - 1,224	9	18	13	13,718	
1,145 - 1,184	8	11	15	25,718	
1,105 - 1,144	14	14	14	8,223	
1,065 - 1,104	12	12	18	26,270	
1,025 - 1,064	15	18	13	30,597	
985 - 1,024	7	17	23	13,986	
945 - 984	18	22	24	20,211	
905 - 944	17	35	30	75,580	
865 - 904	19	30	37	148,273	
825 - 864	27	42	64	172,214	(1974-75 Foundation Program Range)[a]
785 - 824	24	66	103	221,852	
745 - 784	38	98	66	112,031	
705 - 744	51	52	59	82,250	
665 - 704	64	53	24	15,444	
664 and below*	262	77	55	19,539	
TOTAL	689	689	680	1,028,092	

* Detail follows

[a] F.P. = $825

Revenue Base/Limit
Medians, Quartiles, and Ranges

	1972-73	1973-74	1974-75
Median	$720	$ 824	$ 846
Q^1	-	738	764
Q^3	978	1,088	1,092
Range	$401 - $7,725	$476 - $7,749	$511 - $7,737

HIGH SCHOOL DISTRICT REVENUE BASES/LIMITS,
1972-73, 1973-74, and 1974-75
by Foundation Program A.D.A.

Revenue Base/Limit Per A.D.A.	Number of Districts			1974-75 Foundation Program A.D.A.
	1972-73	1973-74	1974-75	
$1,735 and above*	6	7	9	4,083
1,695 - 1,734	0	1	0	-0-
1,655 - 1,694	0	1	2	18,122
1,615 - 1,654	1	3	3	13,589
1,575 - 1,614	2	2	1	700
1,535 - 1,574	4	0	0	-0-
1,495 - 1,534	1	0	2	3,920
1,455 - 1,494	0	3	2	802
1,415 - 1,454	2	2	1	5,534
1,375 - 1,414	1	1	2	9,201
1,335 - 1,374	2	5	6	6,898
1,295 - 1,334	0	5	3	8,812
1,255 - 1,294	5	5	10	31,598
1,215 - 1,254	4	6	11	73,438
1,175 - 1,214	4	11	10	49,945
1,135 - 1,174	10	11	12	62,289
1,095 - 1,134	10	10	9	58,541
1,055 - 1,094	11	10	10	30,666
1,015 - 1,054	11	8	12	55,128
975 - 1,014	5	9	8	47,290 (1974-75 Foundation Program Range)[a]
935 - 974	6	11	0	-0-
895 - 934	13	1	0	-0-
894 and below*	16	2	2	19,252
TOTAL	114	114	115	499,808

* Detail follows

[a] F.P. = $1,010

Revenue Base/Limit
Medians, Quartiles, and Ranges

	1972-73	1973-74	1974-75
Median	$1,077	$1,157	$1,193
Q^1	934	1,043	1,082
Q^3	1,210	1,307	1,325
Range	$698 - $2,428	$847 - $2,495	$860 - $2,481

APPENDIX C

Summary of the Number and Outcome of School District Revenue Limit Elections

Revenue Limit Elections

Effective September 4, 1973, this legislation provided that California school districts, henceforth, would operate with revenue limits that are annually determined. The districts' general purpose tax rate would fluctuate to provide the local revenue portion of the calculated revenue limit. Should the governing board of a district wish to change the calculated revenue limit, it must go to election with a ballot proposition that reads in substance, "Shall there be authorized an (increase, decrease) of the revenue limit per unit of average daily attendance from _____ dollars ($_____) to _____ dollars ($_____), such (increase, decrease) to be effective in the _____ School District for the (school year 19__ only, years 19__ to 19__, years commencing 19__) the revenues of which are to be used for _____? The estimated (increase, decrease) of the revenue limit will result in an (increase, decrease) to the tax rate of the _____ School District in the first year from _____ dollars ($_____) to _____ dollars ($_____) for each hundred dollars ($100) of assessed valuation of property." The voter response is "Yes" or "No."

If a change in the revenue limit per unit of a.d.a. were authorized, the approved amount would be added to or subtracted from the calculated revenue limit each year for the duration of the authorization. The essence of the new school finance program is that each school district has a unique revenue limit per a.d.a. established annually by formula, and the general purpose tax of each district will be adjusted annually to provide the appropriate share of local revenue to finance the revenue limit.

In the period from September 4, 1973 to June 30, 1974, the governing boards of 89 school districts sought voter approval for increases in the revenue limits of their districts. The results of such elections are detailed in Tables C-1 through C-4. Any revenue limit increases that were approved would be effective in 1974-75.

In the period from July 1, 1974, to June 30, 1974, the governing boards of 269 school districts sought voter approval for increases in the revenue limits of their districts. The results of such elections are detailed in Tables C-1 through C-4. For both fiscal years any revenue limit increases that were approved would be effective in the fiscal year following the election.

TABLE C-1

SUMMARY OF NUMBER AND OUTCOME OF SCHOOL DISTRICT REVENUE LIMIT ELECTIONS*

1974-75, 1973-74, 1972-73, and 1971-72

Type of District	1974-75			1973-74			1972-73			1971-72		
	Total	Passed	Failed	Total	Passed	Failed	Total	Passed	Failed	Total	Passed	Failed
Elementary	137	57	80	55	32	23	51	29	22	103	53	50
High School	37	12	25	13	8	5	3	2	1	32	14	18
Unified	95	32	63	21	9	12	27	11	16	42	22	20
Total	269	101	168	89	49	40	81	42	39	177	89	88

-42-

PERCENTAGES

Type of District	1974-75		1973-74		1972-73		1971-72	
	Passed	Failed	Passed	Failed	Passed	Failed	Passed	Failed
Elementary	41.6	58.4	58.2	41.8	56.9	43.1	51.5	48.5
High School	32.4	67.6	61.5	38.5	66.7	33.3	43.8	56.2
Unified	33.7	66.3	42.9	57.1	40.7	59.3	52.4	47.6
Total	37.5	62.5	55.1	44.9	51.9	48.1	50.3	49.7

*Elections prior to 1973-74 were tax rate elections rather than revenue limit elections.

TABLE C-2

SUMMARY OF PROPOSED INCREASE PER UNIT OF A.D.A. AND OUTCOME OF SCHOOL DISTRICT REVENUE LIMIT ELECTIONS

1973-74

Amount of proposed increase per unit of a.d.a.	Revenue limit elections proposing this amount of increase			
	Elections conducted		Proposals passed	
	Number	Percent of total conducted	Number	Percent of total passed
Under $20	1	1.1	0	0
$ 20 - 69.99	21	23.6	13	26.6
70 - 119.99	27	30.4	12	24.5
120 - 169.99	15	16.9	10	20.4
170 - 219.99	11	12.4	7	14.3
220 - 269.99	3	3.4	2	4.1
270 - 319.99	0	0	0	0
320 - 369.99	3	3.4	1	2.0
370 - 419.99	2	2.2	1	2.0
420 - 469.99	0	0	0	0
470 - 519.99	2	2.2	2	4.1
520 - 569.99	2	2.2	0	0
570 - 619.99	0	0	0	0
620 - 669.99	1	1.1	1	2.0
670 - 719.99	0	0	0	0
720 - 769.99	0	0	0	0
770 - 819.99	0	0	0	0
820 & Above	1	1.1	0	0
TOTALS	89	100.0	49	100.0

TABLE C-2 (Continued)

SUMMARY OF PROPOSED INCREASE PER A.D.A. AND OUTCOME OF SCHOOL DISTRICT REVENUE LIMIT ELECTIONS

1974-75

Amount of Proposed Increase Per A.D.A.	Revenue Limit Elections Proposing This Amount of Increase			
	Elections Conducted		Proposals Passed	
	Number	Percent of total conducted	Number	Percent of total passed
Under $20	1	0.4	1	1.0
$20 - 69.99	34	12.7	13	12.8
70 - 119.99	55	20.5	19	18.8
120 - 169.99	74	27.5	27	26.7
170 - 219.99	42	15.6	11	10.9
220 - 269.99	15	5.6	8	7.9
270 - 319.99	10	3.7	5	4.9
320 - 369.99	10	3.7	3	3.0
370 - 419.99	6	2.2	1	1.0
420 - 469.99	4	1.5	2	2.0
470 - 519.99	3	1.1	3	3.0
520 - 569.99	2	0.7	1	1.0
570 - 619.99	1	0.4	---	-----
620 - 669.99	3	1.1	2	2.0
670 - 719.99	2	0.7	2	2.0
720 - 769.99	1	0.4	---	-----
770 - 819.99	---	-----	---	-----
820 & Above	6	2.2	3	3.0
TOTAL	269	100.0	101	100.0

TABLE C-3

PROPOSED TAX RATE INCREASE AND OUTCOME OF SCHOOL DISTRICT REVENUE LIMIT ELECTIONS

1973-74

Amount of proposed tax rate increase	Revenue limit elections proposing this tax rate increase			
	Elections conducted		Proposals passed	
	Number	Percent of total conducted	Number	Percent of total passed
Lower	0	0	0	0
No Change	0	0	0	0
$ .01 - .09	2	2.2	2	4.1
.10 - .19	8	9.0	6	12.3
.20 - .29	19	21.3	13	26.5
.30 - .39	12	13.5	8	16.3
.40 - .49	8	9.0	4	8.2
.50 - .59	20	22.5	7	14.3
.60 - .69	7	7.9	6	12.3
.70 - .79	4	4.5	0	0
.80 - .89	1	1.1	1	2.0
.90 - .99	3	3.4	0	0
1.00 -1.09	3	3.4	1	2.0
1.10 -1.19	0	0	0	0
1.20 -1.29	0	0	0	0
1.30 -1.39	0	0	0	0
1.40 -1.49	1	1.1	0	0
1.50 -1.99	1	1.1	1	2.0
2.00 & Over	0	0	0	0
TOTALS	89	100.0	49	100.0

TABLE C-4

PROPOSED DURATION OF REVENUE LIMIT AND OUTCOME OF SCHOOL DISTRICT REVENUE LIMIT ELECTIONS

1973-74

Duration of Revenue Limit	Outcome of school district revenue limit elections with this duration of revenue limit			
	Elections conducted		Proposals passed	
	Number	Percent of total conducted	Number	Percent of total passed
One Year	3	3.4	2	4.1
2 Years	8	9.0	5	10.2
3 Years	11	12.4	3	6.1
4 Years	6	6.7	1	2.0
5 Years	9	10.1	5	10.2
6 Years & Over	10	11.2	7	14.3
Indefinite	42	47.2	26	53.1
TOTALS	89	100.0	49	100.0

TABLE C-3

PROPOSED TAX RATE INCREASE AND OUTCOME OF SCHOOL DISTRICT REVENUE LIMIT ELECTIONS

1974-75

Amount of Proposed Tax Rate Increase	Revenue Limit Elections Proposing This Tax Rate Increase			
	Elections Conducted		Proposals passed	
	Number	Percent of total conducted	Number	Percent of total passed
Lower	---	-----	---	-----
No Change	---	-----	---	-----
$.01-$.09	4	1.5	---	-----
.10- .19	20	7.3	10	9.9
.20- .29	36	13.4	14	13.8
.30- .39	29	10.8	14	13.8
.40- .49	21	7.8	9	8.8
.50- .59	40	14.9	12	11.8
.60- .69	30	11.2	10	9.9
.70- .79	10	3.7	4	4.0
.80- .89	25	9.3	3	3.0
.90- .99	20	7.4	11	11.0
1.00-1.09	12	4.5	7	7.0
1.10-1.19	5	1.9	1	1.0
1.20-1.29	1	0.4	1	1.0
1.30-1.39	2	0.7	1	1.0
1.40-1.49	6	2.2	2	2.0
1.50-1.99	7	2.6	1	1.0
2.00 & Over	1	0.4	1	1.0
Total	269	100.0	101	100.0

LR75-44 DE10275 7-76 360

TABLE C-4

PROPOSED DURATION OF REVENUE LIMIT AND OUTCOME OF SCHOOL DISTRICT REVENUE LIMIT ELECTIONS

1974-75

Duration of Revenue Limit	Number and Outcome of School District Revenue Limit Elections			
	Elections Conducted		Proposals Passed	
	Number	Percent of total conducted	Number	Percent of total passed
One Year	14	5.2	3	3.0
2 Years	29	10.7	10	9.9
3 Years	43	16.0	13	12.8
4 Years	9	3.3	3	3.0
5 Years	24	9.0	8	7.9
6 Years & Over	16	6.0	9	8.9
Indefinite	134	49.8	55	54.5
Total	269	100.0	101	100.0